

November 10, 2010

ITEM NO. B9

**AUTHORIZATION TO EXECUTE A CONTRACT WITH OMEGA DEMOLITION,
CORP. FOR DEMOLITION SERVICES AT LECLAIRE COURTS - GROUP 10**

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract for demolition services at LeClaire Courts – Group 10 with Omega Demolition, Corp. The contract covers the demolition of seventy (70) dwelling units at twelve (12) buildings for a firm fixed price of \$505,655.00. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

RECOMMENDATION SUMMARY

Funding: Other Funding

Specification No: 10 – 00598

Vendor: Omega Demolition, Corp.
31 W 566 Spaulding Road
Elgin, IL 60120

Contract Type: Demolition	Date Advertised:	September 7, 2010
Contract Amount: \$505,655.00	Pre-Bid Conference:	September 13, 2010
Number of Vendors Solicited: 264 (Including 134 MBE and 6 WBE Firms)	Site Visit:	September 13, 2010
Assist Agencies: 69; Non-Minority: 55	Date Bid Opened:	September 27, 2010
Number of Pick-Ups/Downloads: 25	Advertisement Publication(s):	Chicago Sun-Times Chicago Defender El Dia CHA Website BuySpeed Online
Number of Bids Received: 5 (including 1 MBE Firm)		
Contract Time: Ninety (90) calendar days from the date set forth in the Notice to Proceed		

M/W/DBE Participation:

Direct MBE % WBE 35 % DBE %

Indirect MBE % WBE % DBE %

Waiver No (Yes/No)

Section 3:

Hiring # 2 Subcontracting \$ _____ Other Economic Opportunities \$ _____

GENERAL BACKGROUND

As part of the Capital Improvement Program, the Chicago Housing Authority (CHA) solicited bids to perform demolition work at LeClaire Courts (RH-02). LeClaire Courts extends along the west side of South Cicero Avenue from 44th Street to 45th Street. The structures to be demolished no longer serve a useful purpose and their demolition is needed as part of the ongoing renovation of CHA developments under the Plan for Transformation. The demolition work at LeClaire Courts was split into several bid packages to provide greater contracting opportunities for vendors. Demolition, site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

PROCUREMENT HISTORY

The CHA advertised Invitation for Bid (IFB) No. 10 – 00598 on September 7, 2010 for the demolition of dwelling units at LeClaire Courts – Group 10. The IFB was advertised in the Chicago Sun-Times, the Chicago Defender, El Dia, on the CHA website, and BuySpeed Online. The pre-bid meeting and site visit were held on September 13, 2010. The CHA received and opened five (5) bids on September 27, 2010.

After reviewing the bid submittal materials, the Department of Procurement and Contracts and the Capital Construction Department held a pre-award survey meeting with the apparent low bidder, with a bid of \$504,423.00, and the apparent second lowest bidder, Omega Demolition, Corp. Both firms responded to questions on the thoroughness of their bids and their capacity to perform this work. After further consideration, the apparent low bidder chose to withdraw its bid. Upon completion of the reviews and analysis, the Department of Procurement and Contracts has determined that Omega Demolition, Corp. is the lowest responsive and responsible bidder for Group 10 with a bid of \$505,655.00.

Based on the foregoing, it is in the CHA's best interest for the Board of Commissioners to authorize the Chief Executive Officer or his designee to execute a contract with Omega Demolition, Corp. for demolition services at LeClaire Courts – Group 10 for a firm fixed price of \$505,655.00. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

RESOLUTION NO. 2010-CHA-150

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 10, 2010, entitled "AUTHORIZATION TO EXECUTE A CONTRACT WITH OMEGA DEMOLITION, CORP. FOR DEMOLITION SERVICES AT LECLAIRE COURTS – GROUP 10";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT that the Board of Commissioners authorize the Chief Executive Officer or his designee to execute a contract with Omega Demolition, Corp. for demolition services at LeClaire Courts (RH-02) - Group 10 for a firm fixed price of \$505,655.00. The contract will cover the demolition of seventy (70) dwelling units at twelve (12) buildings. The demolition work and associated site work and landscaping is to be completed within ninety (90) calendar days of the date set forth in the Notice to Proceed.

This award is subject to the Contractor's compliance with the CHA's MBE/WBE/DBE, Section 3 resident hiring, and bonding and insurance requirements.

